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# WHY WE TRADE ABROAD

International agricultural trade for the United States was a booming \$10.2 billion business last year. This great two-way movement brings Americans better living, markets, and jobs; strengthens the Free World.



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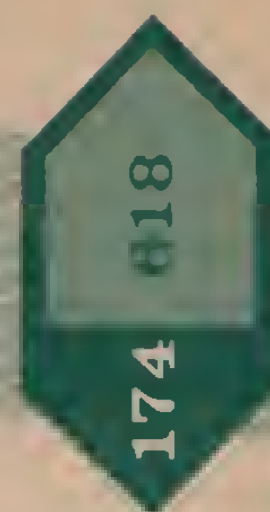
Federal Extension Service in Cooperation with Foreign Agricultural Service, U.S. Department of Agriculture



ASIA



CANADA



EUROPE



## Where the U.S. Trades

( millions of dollars )

in fiscal year 1963-64

AUSTRALIA  
and  
OCEANIA



LATIN  
AMERICA



AFRICA





## WHY WE TRADE

World agricultural trade touches every American.

The food and fiber we import from other lands add spice and variety to our daily living. Farm products we sell to other countries add cash to the pockets of U.S. farmers, mean more jobs for Americans.

This trade helps strengthen the Free World. Our industrialized allies rely on the world market for much of their food and for customers for their products. To the emerging nations of the world, trade is a lifeline to peace and prosperity. As these countries prosper, they will buy more and sell more.

## A FAVORABLE BALANCE

The United States is a world leader in encouraging liberal agricultural import policies. This has helped bring about a favorable agricultural trade balance.

The United States was a \$4.1 billion *customer* in the world agricultural market last year (fiscal year 1963-64). Almost half of our agricultural imports—\$1.9 billion worth in 1964—were products like coffee, that our farmers can't grow. The rest, supplementing our own production, amounted to \$2.2 billion.

*We're selling more than we're buying.* We were a \$6.1 billion *seller* in the world market.

One of every four harvested acres of U.S. cropland produces for export. The output of 80 million acres—enough to fill 15 cargo ships every day—is moving into world trade channels this year.

And this world agricultural trade means jobs for U.S. workers. Close to 870,000 persons are producing farm products for export. Many others process, package, load, and transport farm goods for overseas markets.

## WHAT WE IMPORT

Coffee, tea, chocolate, bananas, sugar, fresh vegetables in winter, rubber, wool—these and many other things we buy abroad make the United States the world's second largest importer of agricultural goods.

We buy from more than 150 different countries. But more than half comes from 10 countries.

Coffee is the leader, accounting for 27 percent of agricultural imports. The United States buys more than half of world coffee exports. Last year we imported 3.3 billion pounds—valued at \$1.12 billion. That's enough coffee to make about 3 cups a day for every man, woman, and child in the country.

Sugar is our second largest import, accounting for 13 percent of the total. About 40 percent of the sugar we use is imported. Last year we bought 3.6 million short tons valued at \$539 million.

Other major imports included: beef, \$343 million; crude natural rubber, \$185 million; vegetable oils and oil bearing materials, \$154 million; pork, \$126 million; cocoa beans, \$122 million; fruits, \$121 million; carpet wool, \$110 million; tobacco, \$103 million; apparel wool, \$101 million; and vegetables, \$98 million.

## **WHERE WE BUY**

Brazil is our leading supplier, with a total of \$514 million last year. Other major exporters of farm products to the United States were: Philippines, \$281 million; Mexico, \$279 million; Australia, \$252 million; Colombia, \$223 million; Canada, \$174 million; New Zealand, \$162 million; Dominican Republic, \$123 million; Argentina, \$123 million; and Indonesia, \$96 million.

## **WHAT TRADE MEANS**

The United States is blessed with an abundance of natural resources. But we aren't self-sufficient. So we must look beyond our borders for many things we need . . . and for markets to help sustain our ever-expanding economy.

Trade between nations is much like trade between states. Each area can concentrate on items it produces most efficiently—just as Pennsylvania, for instance, sells coal and steel, buys Iowa's pork and beef.

But in practice, trade among nations is not so simple. Many kinds of currency are involved. Governments play a larger role.

To assure fair play in international trade, major trading nations in 1947 set up the General Agreement on Tariffs and Trade (GATT). Through GATT, trading nations negotiate policies to strengthen trade.

Through trade, nations obtain products they need but do not produce. They benefit from specializing. Each gets the most for its money and obtains for its people an ever-higher standard of living. Thus trade provides a firm economic cement for the unity of the Free World.

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